

SUGGESTIONS FOR EXTENSION MARKETING ACTIVITIES TO COMPLY WITH

PUBLIC LAW 733 1/

General Situation

Our expanding economy has created new and complex problems in the marketing and distribution of agricultural products. The objectives and provisions of Public Law 733 are a recognition of these facts. Attainment of the objectives of this act is a challenge to the agricultural leadership of the Nation, requiring cooperation of all the State and Federal agencies concerned.

The needs in the field of marketing farm products are so broad and so complex that it will take the combined efforts of all agencies engaged in marketing work to assure more rapid progress. It is essential that the State experiment stations, State extension services, and the State departments of agriculture cooperate closely in formulating and conducting programs. Each agency will make its particular contribution, with the State extension service performing the marketing educational and demonstration work. There will be many instances when these agencies should combine their resources in planning and carrying out specific programs. Also, the solution of many marketing problems is intimately associated with consumer demands. This suggests that more attention should be given to consumer educational services to people in urban areas.

Area Approach to Marketing Activities

It must be recognized that many marketing problems reach beyond State lines and have to be dealt with on a regional or even a national basis. Therefore, in developing marketing programs it is frequently necessary to use regional and national resources and facilities. This makes necessary close cooperation among the States and between the State and Federal Governments. Cooperation should also include industry and the trade, as well as consumer and producer groups.

The success of the New England Research Council and similar groups in a regional approach to research problems has demonstrated the advantage of this approach and suggests the desirability of regional councils as vehicles to foster research and extension work for States with similar problems and common markets.

The regional approach in marketing extension is relatively new. Serious study and consideration by administrators and subject-matter specialists will be required if marketing problems are to be solved and if the most effective use is to be made of limited funds.

State Committee

Recognizing the cooperative effort required of marketing agencies in determining needs and proposed programs, it is suggested that an advisory committee be

1/ Prepared by a group of State and Federal extension workers at the suggestion of State extension directors conferring on Public Law 733, on September 5, 1946.

set up in each State, somewhat comparable to the National Committee which is provided for under title III of Public Law 733.

Institutional Committee

In order that each land-grant college may fully utilize the resources of the institution to carry out the purposes of the act, it is suggested that the director of extension consult with the proper administrative authority concerning the establishment of an institutional committee.

Allocation of Funds

No allocation of funds to the States is contemplated on a formula basis under title II. The Secretary of Agriculture is authorized to allot funds as he may deem appropriate for cooperative projects in marketing service and in marketing research, provided they are matched with funds in addition to those already in use for marketing work. Information available at present suggests that funds may be made available, when appropriated, by presentation of specific marketing projects on either a State or regional basis as provided in Public Law 733.

It is, therefore, recommended that each extension director proceed immediately to survey the most important marketing problems and prepare individual project plans for each, setting out the scope of the problem, proposed extension activities which will lead to its solution, additional funds and facilities needed, and cooperation necessary with other agencies or other States. These plans should be available for presentation to the proper authority on notification.

Present Extension Marketing Programs

Extension marketing work is concerned with the dissemination of useful and practical marketing information to producers, marketing agencies, and consumers at local, State, regional and national levels. Research information in the field of marketing and distribution has been relatively limited, which, with lack of funds and of trained marketing personnel in extension, has resulted in inadequate extension programs in this field in a number of States.

A review of extension marketing work now in progress shows that State extension services throughout the country have centered their activities in marketing largely on bringing about a better understanding regarding:

1. Costs of distribution and spreads between prices received by farmers and those paid by consumers.
2. The need for eliminating unnecessary duplication in handling and in the performance of marketing functions.
3. The necessity of providing new methods and improving present methods and marketing facilities, including handling, storing, processing, transporting, and distributing agricultural products.
4. Changes that are taking place in market outlets and consumer demand for farm products.

5. Efficient production of the quantity, quality, and variety of products in keeping with specific market demands, and the necessary standardizing, grading, and packing to promote greater efficiency in marketing and in consumer buying.
6. The place of cooperative marketing and purchasing associations in the marketing system, essentials for their success, the principles on which they operate, and their methods of performing services to farmers.
7. Interpretation of marketing and farm and home outlook information, how market prices are made, and the influence of the general price level and general economic conditions on the price and market outlets for farm products.
8. Making better use of accurate marketing information on which may be based decisions where and when to sell most advantageously, and to provide consumers a basis for improving buying practices.
9. The use of credit, income, and savings with particular reference to distribution both by individuals and by cooperative associations.
10. Changes in ceiling prices, supports, and subsidies, and set-aside and marketing control orders.
11. Essentials of adequate nutrition and "good buymanship principles" in food, textiles, clothing, house furnishing, and household equipment.
12. Movement of surplus products into consuming channels at seasonal peaks by providing information to consumers in a few cities.

Suggested Extension Marketing Activities

In outlining possible extension marketing projects for consideration under Public Law 733, consideration must be given to the selection of those problems which can stand close and careful scrutiny. Consideration also should be given to both the immediate and long-time application. Adequacy of results of research available or to be available in the near future should not be overlooked. Undoubtedly, in the readjustment period ahead, many marketing problems will develop, requiring immediate action. The Extension Service, with its county workers in each State, is in a position to initiate action and, with the assistance and cooperation of the State agricultural experiment station, to obtain the necessary information for offering solutions to problems as they arise.

Extension and research efforts in the States should supplement each other through collaboration in the formulation of research and extension programs. The opportunity exists for Extension to point out needs for research. The responsibility of conducting educational work with the results of research work in marketing rests with the State extension services. There is a need in many cases for individual workers to do both research and extension in the field of marketing agricultural products.

The following are some of the activities which have been suggested by a group of Extension workers as fields of educational work which the Federal and State extension services should consider in carrying out Extension's responsibilities under the provisions of title II of the Agricultural Marketing Act of 1946. (See sections 202 and 203.)

1. Interpretation and Dissemination of Marketing Information.

(a) Market area.--Short-time changes in market prices and receipts on a market-area basis, crop and livestock production estimates, shipping point and terminal market reports.

(b) General outlook.--Price, production, and marketing situation, long-term and short-run adjustments to meet changing marketing conditions.

2. Prices.

Price trends and relationships, factors influencing price fluctuations, inflation and deflation, the parity concept, two-price system, elasticity of demand, etc.

3. Grading and Quality Programs.

This includes the place of grades in the marketing process and an understanding of standards of quality, and changes in grade standards which will more accurately reflect consumer preferences and the efficient utilization of agricultural products.

4. Processing, Packaging, and Merchandising.

Technological developments such as quick freezing and dehydration, merchandising practices such as unit packaging, cut-up poultry, and self-service retailing; shifts in utilization.

5. Marketing Margins.

Costs and agencies involved, services performed, possible savings.

6. Job Analysis and Work Simplification.

This is a newer type of educational activity which gives promise of contributing to increases in efficiency in marketing. Information about research on this type of activity may be obtained from the Florida and Purdue experiment stations.

7. New and Improved Marketing Facilities.

Local, regional, and terminal markets for assembly and redistribution.

8. Efficient Use of Marketing Facilities and Services.

This would include such problems as overlapping truck routes, shortening of the marketing process through consolidation of functions, consolidation of existing agencies into more economical operating units, etc.

9. Transportation Rates, Practices, Services, and Facilities.

Development of improved transportation services and methods, including air transport and refrigerated cars and trucks.

10. Financing Marketing.

Understanding of the sources and proper use of money and credit.

11. Cooperative Marketing and Purchasing.

Possibilities and limitations of cooperative activity in the solution of marketing, purchasing, and service problems; principles underlying operations.

12. Consumer Education.

To conduct and cooperate in consumer education for the more effective utilization and greater consumption of agricultural products.

13. Trade Barriers.

Interstate and intrastate cooperation on laws, regulations, and local ordinances.

14. International Markets.

Complete and up-to-date information concerning the development and availability of foreign markets as greater outlets for agricultural products.

15. Shifts in Regional Advantage.

Changes in the geography of production and consumption, new production and marketing techniques such as new insecticides, further mechanization, quick freezing, air transport, and other technological changes.

16. Concentration of Control in Marketing and Distribution.

Use of national advertising, control over patent rights, and large-scale operation through centralized control.

17. Government Participation in Marketing and Distribution.

Price supports, subsidies, marketing agreements and orders, production adjustment, commodity loans, surplus disposal, school lunches, etc.

18. Effectiveness of Extension Marketing Programs and Techniques.

Study and appraisal of the current methods and techniques in carrying on educational programs in marketing to determine the influence of such programs on producers, marketing agencies, and consumers.

1. General Principles of the Philosophy of Education

Development of the various philosophical positions and methods of research in the field of education and their relation to other sciences.

2. Educational Philosophy

Foundations of the various educational philosophies and their relation to the social sciences.

3. Educational Philosophy and the Social Sciences

Foundations of the various educational philosophies and their relation to the social sciences, and the various philosophical positions in the field of education.

4. Educational Philosophy and the History of Education

Foundations of the various educational philosophies and their relation to the history of education, and the various philosophical positions in the field of education.

5. Educational Philosophy and the Psychology of Education

Foundations of the various educational philosophies and their relation to the psychology of education, and the various philosophical positions in the field of education.

6. Educational Philosophy and the Sociology of Education

Foundations of the various educational philosophies and their relation to the sociology of education, and the various philosophical positions in the field of education.

7. Educational Philosophy and the Anthropology of Education

Foundations of the various educational philosophies and their relation to the anthropology of education, and the various philosophical positions in the field of education.

8. Educational Philosophy and the Linguistics of Education

Foundations of the various educational philosophies and their relation to the linguistics of education, and the various philosophical positions in the field of education.

9. Educational Philosophy and the Aesthetics of Education

Foundations of the various educational philosophies and their relation to the aesthetics of education, and the various philosophical positions in the field of education.

10. Educational Philosophy and the Ethics of Education

Foundations of the various educational philosophies and their relation to the ethics of education, and the various philosophical positions in the field of education.